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October 8, 2007

Richard W. Revels, Jr
rwrevels@liskow.com

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Alternate Unit Well Designations
Hosston Formation, Sand Units V, Y and GG
Cotton Valley Formation, Reservoir A, Sand Units B and G
Logansport Field, DeSoto Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **PEOPLES ENERGY PRODUCTION-TEXAS, L.P.** for the calling of public hearings after ten (10) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters:

1. To permit the applicant to drill, designate and utilize four (4) alternate unit wells for the HOSS SUV, HOSS SUY and HOSS SUGG, at the locations shown on the plats attached hereto and made a part hereof, with three (3) wells located in exception to the spacing provisions of the Office of Conservation Order No. 28-S-4, effective July 22, 1981. The Averett No. 8 Well for the HOSS SUY is legally located.
2. To permit the operator to produce the unit allowable for the aforementioned Hosston units in accordance with the provisions of Office of Conservation Order No. 28-S-55, effective October 18, 1994 (at a rate equal to the combined rate at which the unit well and the alternate unit well or wells are capable of efficiently producing).
3. To permit the applicant to drill, designate and utilize three (3) additional alternate unit wells for the CV RA SUB and CV RA SUG, at the locations shown on the plat attached hereto and made a part hereof, with two (2) wells located in exception to the spacing provisions of Office of Conservation Order No. 28-W, effective April 22, 1980. The Averett No. 8 Well for the CV RA SUG is legally located.
4. To permit the operator to produce the unit allowable for the aforementioned Cotton Valley units from the unit well, the existing alternate unit wells and/or the proposed alternate unit wells, in any combination, at the discretion of the operator.

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5. To find that the proposed alternate unit wells referenced above are necessary to efficiently and economically drain that portion of the reservoirs covered by their respective unit.
6. To continue in effect the existing designations and use of the current unit well and alternate unit wells for each of the units referenced above.
7. Except to the extent herein set forth, to continue in full force and effect the provisions of Office of Conservation Order Nos. 28-S and 28-W, as amended and supplemented by the 28-S and 28-W Series of Orders respectively, the units created thereby, and applicable statewide orders.
8. To consider such other matters as may be pertinent.

The Hosston Zone, in Logansport Field, DeSoto Parish, Louisiana, was previously defined in Office of Conservation Order No. 28-S, effective April 21, 1970.

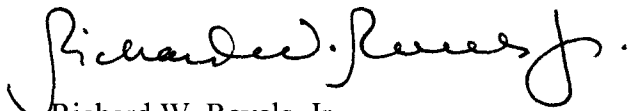
The Cotton Valley Formation, Reservoir A, in the Logansport Field, DeSoto Parish, Louisiana, was previously defined in Office of Conservation Order No. 28-W-1, effective October 15, 1982.

The applicant is requesting permission to drill, designate and utilize alternate unit wells for each of the aforementioned units at the locations shown on the attached plats. These wells will permit efficient and economic recovery of hydrocarbons underlying their respective unit, will not adversely affect the adjacent offsetting units, and are needed to satisfy the market demand for gas and condensate from the field.

Attached hereto and made a part hereof are plats outlining the applicant's proposals along with a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties.

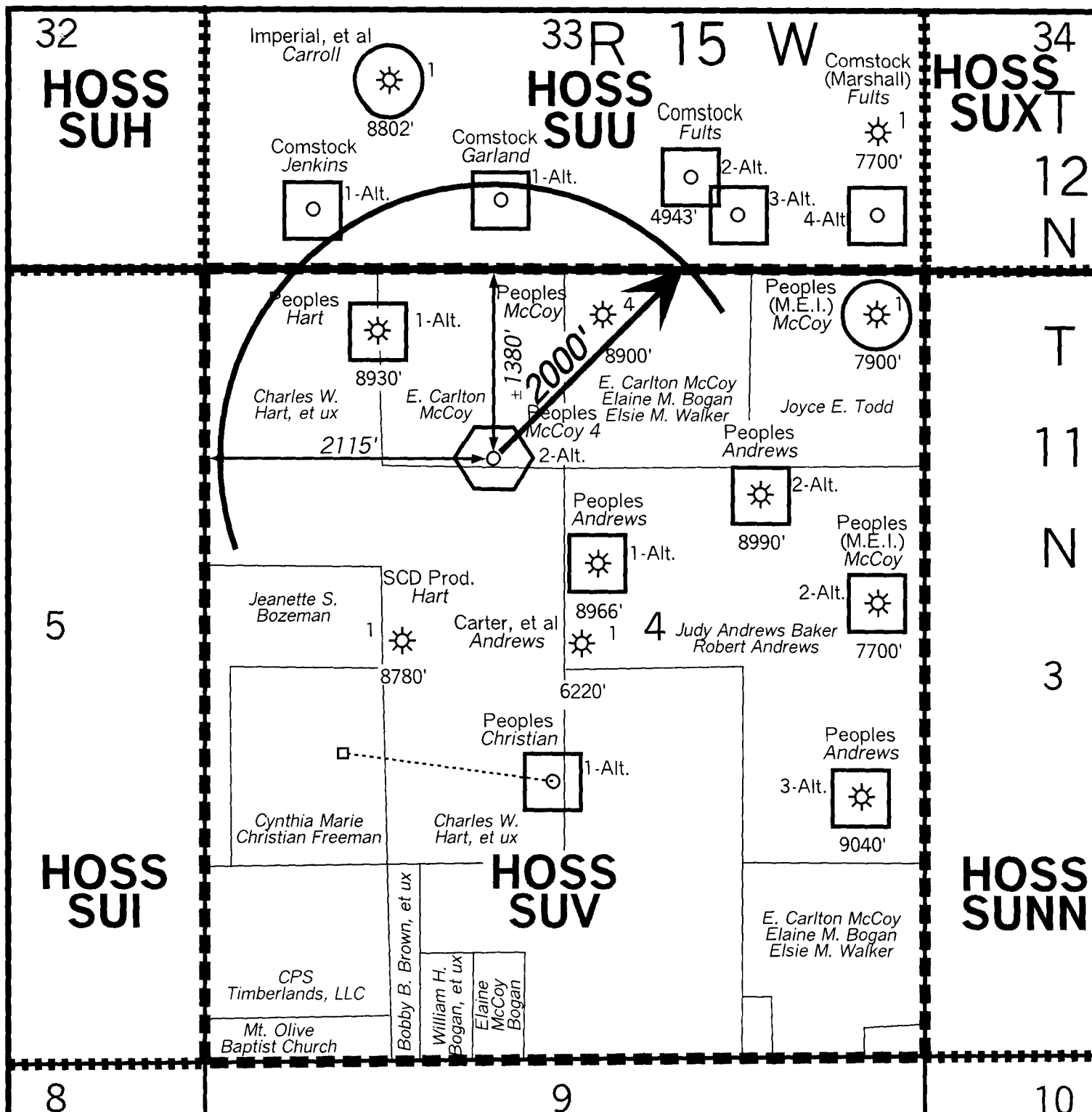
Finally, enclosed herewith is our check on behalf of the applicant in the amount of \$3,775.00 made payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,



Richard W. Revels, Jr.
RWRjr:dbf

cc: Mr. James Broussard, Shreveport District Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties



AS PER 28-S SERIES OF ORDERS



CURRENT UNIT WELL



EXISTING ALTERNATE UNIT WELL



APPROVED ALTERNATE UNIT WELL LOCATION



PROPOSED ALTERNATE UNIT WELL

EXHIBIT NO.

DOCKET NO.

PEOPLES ENERGY PRODUCTION-TEXAS, L.P.

LOGANSFORT FIELD
DE SOTO PARISH, LOUISIANA

PROPOSED ALTERNATE UNIT WELLS
HOSSTON FORMATION
SUV

Witness: David Comeaux

0 1000' 2000'

DATE:

LEON E. COMEAUX & ASSOCIATES
LAFAYETTE, LOUISIANA 337-233-9839

